a speech when I will come out with further details. Then, they will not be able to sit peacefully in their seats but they will keep on jumping because truth is always bitter, Madam.

SHRI PARVATHANENI UPENDRA: We are looking forward to it.

SHRI ANAND SHARMA: I conclude by saying that what they are demanding is not a genuine one and it has no relevance. It is a despicable attempt to politicise it for cheap political gimmick and propaganda—the tragic assassination of late Shrimati Indira Gandhi.

THE DEPUTY CHAIRMAN: Now, we take up the Appropriation Bills.

I. APPROPRIATION (VOTE ON ACCOUNT) BILL, 1989

II. APPROPRIATION BILL, 1989

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): Madam, I beg to move:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90 as passed by the Lok Sabha, be taken into consideration."

Madam, the House had a general discussion on the Budget for 1989-90. The Appropriation (Vote on Account) Bill seeks only a special supply to enable the Government to carry on, ending detailed consideration and passing of the Demands for Grants for the whole year and the connected Appropriation Bill.

The total amount sought for in this Bill is Rs. 41,751.28 crores of which Rs. 28,930.22 crores is charged on the Consolidated Fund of India and the balance of Rs. 12,821.06 crores has been voted by the Lok Sabha. Necessary details of the Vote on Account are given in the pamphlet circulated to hon. Members.

Madam, I also beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the finanial year 1988-89, as passed by the Lok Sabha, be taken into consideration."

Madam, this Bill arises out of the supplementary appropriation charged on the Consolidated Fund of India and Demands voted by the Lok Sabha on March 27, 1989. The Bill involves gross additional expenditure of Rs. 3,491 crores. Against the gross additional expenditure of Rs. 3,491 crores, concerned Ministries and Departments have identified matching savings, recoveries or increased receipts to the extent of Rs. 2,349 crores leaving a net additional requirement of Rs. 1,142 crores. This comprises of Rs. 497 crores for defence pensions, Rs. 200 crores for defence services, Rs. 100 crores for export subsidy, Rs. 60 crores for loans to the National Textile Corporation, Rs. 50 crores for interest payments, Rs. 50 crores for subsidy to set up industries in selected backward areas Rs. 34 crores for assistance to State Governments for on-going family welfare schemes, Rs. 29 crores for comprehensive crop insurance scheme and Rs. 122 crores for other items. The details of the Supplementary Demands have been given in the documents laid on the Table of the House on 16th March, 1989.

The questions were proposed.

THE DEPUTY CHAIRMAN: Mr. Kamal Morarka. Mr. Morarka, I know you can speak quite well on economic matters but, unfortunately, we have only ten minutes for your party. Please conclude within that time-limit.

[Shri B. K. Gadhvi]

SHRI KAMAL MORARKA (Rajasthan): Madam Deputy Chairman, in principle, I oppose the Supplementary Demands for Grants. Of course, they have been passed by the Lok Sabha and we do not have to pass them.

[The Vice-Chairman (Shri H. Hanumanthappa) in the Chair]

It has become a pattern for the last two years to come up with Supplementary Demands for Grants during the course of the year. I would like to draw the attention of the Government through you, to a few aspects and I would like Mr. Gadhvi to seriously consider them since he is directly in charge of expenditure. The first point is under-estimation of expenditure in the annual budget. In the last three years the average error has been of the order of 5 per cent with regard to Plan expenditure, 7.6 per cent with regard to non-Plan expenditure. I feel in a country like ours a 7.6 per cent error in estimating our annual expenditure is quite high. At the time of annual budget it is never a pleasant task for the Finance Minister because he has to raise taxes. Nobody likes taxes. He comes under a lot of criticism. But after that exercise is over, during the year, whatever work he has done actually gets undone. By the end of the year he has again to do a very stupendous task. This has been happening in the last three to four years. My first point is about under estimation of expenditure and revenue. Revenue has also been under estimated, but expenditure is under-estimated more than revenue. So, the deficit rises at the end of the year. I do not want to give statistics, there is no time for that. But for the last three to four years the deficit has been higher than what has been projected. That is the first point that you should be more realistic. Conservative budget policy will be a little underestimation of revenue but a realistic estimate of expenditure.

Now I will come to the second point. The 9th Finance Commission has suggested a normative approach to expenditure. Though the previous Finance Commissions also followed a policy of a normative approach, the difference in this particular Finance Commission report given in July, 1988, is that they want to consider projects *ab initio* instead of only the incremental part. In the last Finance Commission only the incremental allotment for particular projects was allowed or disallowed. This Finance Commission has suggested that project should be seen *de novo*. In fact, they have suggested that for the period 1990—95 they will go, for all the States as well as the Centre project-wise. Total expenditure they will again evaluate, whether it is justified or not justified. Even in the 7th Plan document the Government itself had said that one method of exercising control over expenditure was the system of zero-based budgeting. Considering the rapid deterioration of finances, I feel a time has come when strictly we follow zero-based budgeting and the concept of anormative approach. We should not assume every year that on-going projects will go on. In this connection, I was very happy to see that the hon. Finance Minister in his speech said that a lot of old schemes were becoming irrelevant and the surplus staff can be deployed elsewhere. I strongly recommend to the Government that the time has come when this should be done.

I will quote Raja Chelliah, the Member of the Planning Commission. He has suggested the setting up of a separate accounting unit within the Finance Ministry for independent loan disbursement transactions so as to induct a greater degree of fiscal discipline in public expenditure. He has suggested that this body should be accountable to Parliament alone and should monitor on a continuous basis the utilisation of funds to make them more productive. I feel it is a very useful suggestion, especially because, no matter which Government comes or who the Finance Minister is the

revenue cake will always be limited. Demands are going to be too much over the next five to seven years. I think it is a useful suggestion and Mr. Gadhvi should look at the usefulness and the practicability of it.

Finally I come to this particular Demand. There are a few of the Demands out of the total Demand of Rs. 1142 crores which are additional. The rest of the 2349 crores are out of the savings from some other heads and so I will not deal with them. Coming to this additional demand of Rs. 1142 crores, there are a few items to which I would like to draw your kind attention. The first is the loss of NTC of Rs. 60 crores. It is a bottomless pit. So many times NTC comes up for discussion and Mr. Ram Niwas Mirdha gives some answers, but the fact remains that 100 odd textile mills are losing money. It is an unpleasant task for the Expenditure Minister to find this money and come to Parliament to explain for what this money is being given. I know it is not his Ministry but he must put the screws tightly on all these loss-making public undertakings especially NTC which is a den of corruption.

The other item is collection charges of direct taxes. Though the item is only ten crores of rupees, I take this opportunity to bring to the attention of the Finance Minister that the entire machinery for collection of direct taxes throughout the country is very sloppy. The income tax assessees can see the wastages. It is there for everybody to see that the amount of money, time and energy that they are wasting in collecting taxes is not worth the taxes collected from individuals. I would request the Finance Minister to see—though the allocation is small—that we should have an efficient system of tax collection rather than the present one. You will please have a relook when the Direct Tax Code comes and see that it is included in it.

Another item is subsidy for setting up industries in the selected backward areas—i.e. additional 50 crores have been provided. Now suddenly new industries could not have come up. You cannot say that it is an unforeseen expenditure. This expenditure could easily have been planned in the beginning of the year. One may turn round and say, a lot of new industries are coming up. But it does not happen that way... Mr. Radhakrishna, excuse me I cannot see the Finance Minister.

SHRI PUTTAPAGA RADHAKRISHNA (Andhra Pradesh): You have to see the Chair.

SHRI KAMAL MORARKA: Please.., thank you. I would request the Finance Minister to make it incumbent upon all the State Governments and the Central Government to have a realistic appraisal of what industries are coming up in the forthcoming year so that at the end of the year we do not have to come with a grant of 50 crores for a thing which we know in the beginning of the year. I can see if it is flood, drought or any such calamity. But most of the expenditure for which we come back to Parliament is such as we could have estimated in the beginning of the year.

I do not want to take any more time. I would make a special request to the Finance Minister to put a very tight control on expenditure because that is the key to future economic prosperity of the country.

Thank you.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Thank you for keeping up to time. Shri Rameshwar Thakur.

SHRI RAMESHWAR THAKUR (Bihar): Mr. Vice-Chairman, Sir, I rise to support the Appropriation Bill, 1989, to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial

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year 1988-89, and also the Appropriation (Vote on Account) Bill, 1989, to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90.

Sir my esteemed friend, Mr. Morarka, had started with criticising the pattern of expenditure of the Central Government. I would like to say that if we see closely the achievements made by the Government during the current year 1988-89 and the budget proposals for the year 1989-90, out of which we have this Vote on Account for the year 1989-90, we will find that there has been a great deal of achievement in several areas of our economy and additional provisions which have been placed before us are for the remaining additional expenditure for the current year and the basic expenses for the year 1989-90. When we see particularly the expenditure relating to the year 1989-90, we have to take into consideration that this year is the last year of the Seventh Five Year Plan and last year of current Parliament. We have to see not in terms of biased observations, as some of the Members have been good enough to make from the other side, but in terms of what were the objectives, what were the goals fixed by the Seventh Plan and how we are going to achieve them so far as the last year of the Plan i.e. the year 1989-90, is concerned. From that angle if we see the expenses provided for, they reflect sound fiscal policy, incentive and environment for growth, savings employment, investment, further development of infrastructure, agriculture, industry, science and technology, social services, particularly with special impetus to anti-poverty and employment-oriented programmes, relief to the poor and the persons in the lower income group and stability in the tax structure.

Our outlay for the last year of the Plan is of the order of Rs. 34,446 crores, the cumulative effect of which is 115 per cent of the total outlay of the Plan, that is, Rs. 180,000 crores, which is very remarkable because in the Sixth Plan we were able to achieve only up to 89 per cent. Here we will be achieving 115 per cent and, if we do not take the deflecting factor into consideration then this amount goes up to 135 per cent which is most outstanding in a situation when we know that the outlay of the Seventh Plan was higher than the total cumulative outlay from the First to the Sixth Plan. So, this is a great achievement which we should take into consideration and we should view the expenses next year from this angle.

If we see the achievements in the various fields and the targets that we have got for the next year, for which these expenses have been provided for then we find that in the field of agriculture we have made a very remarkable achievement during the current year in spite of the earlier year's drought. Sometimts our friends there even start saying that during the last 42 years we have not achieved anything. This is very surprising. Any Member who does not take a biased view of things, if he objectively goes into the achievements, will find that in the field of agriculture, from 50 million tonnes we have already reached 166 million tonnes and we are expected to reach even higher goals. By next year our target of 175 million tonnes will have to be achieved.

Particularly in the case of agriculture, for improvement we have got Rs. 4,000 crores additional credit provided in the budget for the further growth of agriculture in the next year. Then we have got many other facilities given to the farmers. The interest rate has been reduced from 14 per cent to 12 per cent for those who take loans from Rs. 15,000 to 20,000 About 1/3 tax exemption is given in the case of poultry farming. There are other exemptions in excise duty

on jute yams supplied to registered cooperative societies, etc.

In the case of coal we have improved our performance. Similarly, in the case of industry, we have got a growth of nine per cent and it is expected to reach 10 per cent during 1989-90. Then so many other reliefs have been given and I am sure that with the outlay that we have got for the industries, with incentives like Venture Capital Company, Mutual Fund, Personal Equity Plan, Equity Linked Savings Schemes, next year there will be more savings and more investment for industries and industrial growth is definitely likely to increase by more than 10 per cent.

Similarly, in the case of various areas of infrastructure we have got more provision during the current year and much more will be there during the next year's budget and, I am sure, with the added provisions that we have got, these are likely to help further growth and development during 1989-90 particularly in irrigation and energy. For energy we have got a 23 per cent higher outlay. For transport it is 13 per cent and for communications it is 57 per cent.

Similarly, in the case of public sector undertakings, as you are aware, our performance has improved. In the year, for the first time we have a profit of about Rs. 2,183 crores. Though this profit is very good and for the first time we have got a higher profit, I would suggest to the honourable Minister to consider that keeping in view our investment of Rs. 60,000 crores and also keeping in view the commanding position the public sector undertakings have got and the provisions that we have made and the expectations of the people and the normal return from such investments, this amount is much lower. Effective steps must be taken to increase the capacity utilisation, to increase the productivity, profitability and efficiency of the public sector undertakings so that at least we should be able to get 10 per cent return from the public sector undertakings which will substantially improve the financial position of the next year, that is, the last year of the Plan.

Then, in the foreign trade also we have improved our performance very substantially. The increase has been of the order of about 26.4 per cent in the case of exports, and the order of imports has been reduced. It has come down to 10.8 per cent. But, I would urge very much, keeping in view very serious position in the balance of payments, that more sustained efforts should be made to ensure that we are able to achieve higher goals in regard to exports so that we are in a position to meet our balance of payments position and we are able to improve our financial position as a whole.

As regards the external debt, many of the Members feel with this order of expenditure and payments that we have to make on interest and debt repayment, we will be in the debt-trap. In fact, some people have said that we are in the debt-trap. We are not in the debt-trap if we take into consideration the actual facts. It is not higher than many of the neighbouring developing countries. Our saving rate is much higher, 21 per cent, 24 per cent. The domestic investment is increasing. Overall, our country can withstand without any difficulty. We certainly have to be cautious. As you know, we see that 94 per cent of the total investment of Rs. 1,80,000 crores is coming from within the country, and our total investment from outside is only about 6 per cent. Therefore it is not of an extremely high order though the total amount is such, and we have to pay interest on that.

Another thing I would like to say is how we compare with our neighbouring countries. Only one or two exam. Mr. Vice-Chairman, Sir, I would like to give. Compared to Nepal, Bangladesh, China; Sri Lanka and Indonesia,

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we find this. If we look to the figures pertaining to 1970 and 1986, our debt outstanding as compared with other countries, has improved. Our repayment figures are there. I will not take time. Our repayment has been very timely. Our exports of services and goods percentage is also on the higher side. We have improved as compared to Sri Lanka and Pakistan and Bangladesh. Our performance as compared to the neighbouring countries is much better than theirs. There is no question of alarm so far as foreign debt is concerned. In fact, our position of debt outstanding as on 1970 and 1986 is this. We find that in 1970-71 it was 71.4 per cent; in 1986—it has gone up to 77.9 per cent. In Pakistan it has risen from 68 per cent in 1970-71 to 93.1 per cent. In Sri Lanka it has gone up from 61 per cent to 77.7 per cent. In the debt position from the private sources we have improved. That is, our own financial institutions we have improved. It was 3.6 per cent in our case. It has now gone up to 22 per cent. In the case of other countries, in the case of Pakistan it has gone down from 7 per cent to 6.9 per cent; Sri Lanka from 13 per cent to 23.3 per cent. Therefore, if we see it from various angles, our debt position, though it is high and we have to be cautious, we are not in position to say that we are going to be in the debt-trap.

Lastly, one or two items. I will make my suggestions. We are all aware of the various achievements. We have made improvements in the revenue collections. Also, we have got them very substantially.

About direct taxes, in the first year of the Plan it amounted to Rs. 4,484 crores. It has now gone up to Rs. 8,500 crores in the current year. That is 88 per cent. Next year we expect to reach about Rs. 10,000 crores. Then there are a number of schemes for giving relief to the poor. There are a number of schemes in the form of indirect tax reliefs and direct tax reliefs, savings schemes to help the farmers and others. The freedom fighters' pension has been enhanced to Rs. 750/- p.m. new schemes have been introduced particularly in the area of rural housing. There is a scheme of taxing more to richer class in the form of surcharge to pay for the newly introduced Nehru Rozgar Yojana, which will give impetus to employment in the rural areas.

I have only one or two suggestions to make. In spite of these schemes, the Government should make all out efforts to reduce the Government expenditure, particularly the non-Plan expenditure and also the expenditure on subsidies. There is also a need for improvement in the performance of public sector, as I mentioned earlier. There is also a need for improvements in exports and balance of payments and also to increase domestic savings. There is also a need to increase revenues, particularly through direct taxes. To achieve this there is need to have a systematic survey and better management of direct and indirect taxes to bring in more and more people into the direct tax net. There is also a need for investing more in the rural development programmes, paticularly in khadi and village industies, which provide much more amount of employment than any other organised sector does. There is also a need for a more effective implementation of the programmes particularly in the rural areas for Scheduled Castes and Tribes backward communities and economically weaker sections of the people. In the end, I would like to mention that there should be effective steps for removal of regional imbalances, particularly in the North-Eastern States and Bihar. The Central assistance to Bihar during the last two decades has been very less. This should be improved. Defence units should be set up there. Power plants should be centralised and financed and pig iron project

near Bhavnapur should be established. Petro-chemical complex near Barauni should be established. Overbridges on the Ganga at Bhagalpur and Sahibganj should be constructed and special development schemes of irrigation, electricity and roads in Santhal Parganas and Chota Nagpur should be given special attention. Incentives should be given to them by the Central government so that the regional imbalance is removed.

With these words I support the two Bills placed before the House.

SHRI N. E. BALARAM (Kerala): Participating in the discussion, I would like to mention only three points.

Today when we are discussing the Appropriation Bills, I would like to draw the attention of the hon. Minister about one important thing that is going on outside Parliament House. Almost all the junior doctors in the capital are observing a protest day today. You know there was an agreement between the Health Ministry and the organisation of the junior doctors, which was signed in November 1986. So far the Government has not taken any action to implement that agreement. That is a very unfortunate thing. The doctors are very much demoralised. Because of its non-implementation and the indifferent attitude of the Government, they are now observing a protest day. I think they are going in for another general strike in the near future. So, what I have to say on this occasion is that the Government should see that once an agreement is signed, it is implemented. So, let them make amends on that. That is the first request I have to make.

Yesterday, I was listening to the speech made by the hon. Finance Minister. He spoke about many things. But, unfortunately, he did not mention about the problem of price. Problem of price means: is it possible to stabilise the price? Can we bring about stability in the price sphere in the coming future? This is a very big question that is looming large in the minds of the poor people in the country. After reading the Budget and after going through the Supplementary Budget etc., my impression is that there are chances for increase in prices. Unless we pay serious attention to this problem, it will become difficult and affect the common people very much. That is how I find it. If you go to the market and enquire you can see that prices are going up every week. We can see in the newspapers also daily. The main reason for the price hike is the policies that are pursued by the Government. I do not want to go into the details because those things have been debated in the General Budget and I do not want to repeat them. What can we do in this situation? According to me the Government should pay adequate attention to improve the public distribution system. If you do not have any nation-wide plan to improve the public distribution system the prices will go up very high and the common people are going to be hit very hard. When I raise this question, I have something in my mind. The food procurement agencies are going slow in procuring the foodgrains. As a result of this, huge quantity of foodgrains are being cornered by the hoarders. That is why I say prices are going up every day. I want to cite an example. We people, especially in the South are depending on rice. For the last two months the distribution of rice through the public distribution system has been cut down by 20 per cent. The common people who are dependent on the public distribution system cannot go to the market for their daily requirements. That becomes very difficult because prices of the essential items are very high in Kerala we are not getting sufficient quantity of rice and other cereals from the Centre. There is a cut of 20 per cent in

2.00 P.M.

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the supply of foodgrains. Our State used to get 1,20,000 tonnes of foodgrains per month. Now we are getting only 1,00,000 tonnes. There is a cut of 20 per cent with the result that the common people are put to hardships.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Please conclude.

SHRI N. E. BALARAM : I am concluding. What I am saying is that this problem must be looked into.

Another thing is the power situation which is very much disquieting in the South. I want to draw the attention of the Government to this problem. There were cases of high tension power throughout the South. Don't think that I am asking only for the South. This is what is happening in all the States. As a result of this, development of industries is going down. Even agricultural operations have been affected because of power-cut. According to the statistics available with me, power supply in the South will go down by 18.8 per cent by 1999. That means we are going to have more power-cuts and more difficulties in the rural areas. I have gone through your supplementary grants and the General Budget, but do not find adequate funds for this sector. This is a very serious problem and that is why I wanted to bring it to the notice of the Minister. Unless you take serious steps the situation is not going to improve. You may have some schemes, but the present position is that even agricultural operations have become very difficult because of the power-cuts. These are some of the important questions which I wanted to bring to the notice of the hon. Minister and which require immediate solution. I hope the Government will look into all these problems.

SHRI RAOOF VALIULLAH (Gujarat): Mr. Vice-Chairman, Sir, I rise to support the Appropriation (Vote on Account) Bill, 1989 and the Appropriation Bill, 1989 brought before this House by the hon. Minister of State for Finance. Sir, the hon. fore Finance Minister, Shri S. B. Chavan, while replying to the debate on the General Budget yesterday in this House expressed his concern over the balance of payments situation. What are the reasons for this kind of a situation? Sir, the approvals of foreign commercial borrowings are expected to reach the unprecedented level of Rs. 4,000 crores in 1988-89 against Rs. 2600 crores last year. Sir, this is well above the ceiling of Rs. 3,000 crores considered safe by the Finance Ministry itself. Sir, this is causing serous concern since it is leading to a corresponding increase in the debt service ratio as well. Sir, the growing reliance on commercial borrowings is changing the whole complexion of the country's external debt and as much as 40 per cent of the total flow of external assistance is now accounted for by such borrowings against 25 per cent last year of the country's total debt burden of Rs. 55,000 crores at the end of March 1988, The disturbing rise in commercial loans had prompted the Economic Survey to advise and caution with regard to the terms, conditions and quantum of fresh external debt incurred. Sir, the Economic Survey presented to this House has cautioned about this aspect and therefor I would like to know from the hon. Minister whether with regard to this kind of foreign commercial borrowings which have gone up to Rs. 4,000 crores he will see that some kind of curb is put in this direction. Sir, so far approvals have been given to large public sector undertakings, private sector enterprises with commitment of export promotion and developmental financial institutions like the IDBI, IFCI and ICICI. There was also a move by the Government to allow Indian companies to raise finance abroad through the issue of

convertible debentures. Sir, I am very happy to say that so far the Government has not taken a decision, but it is considering. The answer to my question in this House, only a few days ago was, no such approval has so far been given but it did not say that we are going to give it. It is being considered. Therefore, I would like to know whether it is prudent to attract equity through shares denominated in hard currencies because when you are going to give dividend, it will also be in hard currency. Therefore, this will also be very very dangerous as far as the balance of payments is concerned. The second aspect that I wanted to raise was that there is another disturbing trend and that is the increasing percentage of non-Plan expenditure. Sir, the hon. Minister of State for Finance also deals with expenditure and he has time and again not only in this House but in the other House also suggeted various measures by which non-Plan expenditure could be curbed. Sir, it was 63 per cent of the total expenditure in 1987-88, 65 per cent in 1988-89 and is anticipated to be around 66 per cent in 1989-90. The Government, I must say, with all due care, has so far not been able to arrest this alarming increase in non-Plan expenditure. Sir, if salaries of Government employees, D. A. payments and interest payments were all expected to increase, then the non-plan expenditure would go beyond the Budget estimates of 1989-90. It may well exceed 66 per cent this year. Sir, in 1989-90, it has grown to Rs. 6000 crores and the Government had borrowed an estimated Rs. 2400 crores from commercial markets abroad to pay interest on loans with the interest amount payable between Rs. 18,000 to Rs. 20,000 this year.

Sir, another factor that I would like to deal with in this House today is, yesterday the hon. Finance Minister defended the transfer of Rs. 2300 crores from the pool account of the Oil Co-ordination Committee to the Government's revenue receipts account. This transfer has enabled the Government to show a reduced revenue deficit at Rs. 7012 crores and to reduce the overall deficit to Rs. 7337 crores in 1989-90. The hon. Finance Minister also argued that the transfer was not an artificial instrument of reducing the Budget deficit and the Government might transfer more funds from the oil pool account in the coming budgets as every year Rs. 1000 to Rs. 1200 crores are being added in this fund. I would like to know from the hon. Minister whether to contain Budget deficits, are you going to take recourse to this action of transferring more and more funds from the oil pool to the general revenue receipt of the Government? I woudl like to know from the hon. Minister what the stand of the Government is and whether he would clarify that recourse to such action would be taken only in abnormal circumstances.

Sir, another disturbing factor, according to me, is that smuggling of contraband gold is increasing in this country. The official seizures of contraband gold during 1988 amounted to as much as 6.1 tonnes valued at Rs. 195 crores. Compared to this, last year, 2.2 tonnes of gold were seized by the Customs officials and the value of that gold was Rs. 68.77 crores. Now, I want to congratulate the Customs officials and the Government on taking stringent measures. But, at the same time, this also indicates a spurt in the smuggling activities and that is not confined to the western coast of this country alone. These activities are spread all over the country, particularly, the Indo-Pak border, the Indo-Nepal border and the Indo-Burma border. We have also seen that even far away in Lakshadweep contraband gold was seized to or three months ago while we were visiting the Lakshadweep island in a Parliamentary Committee. This wil have to be very very carefully guarded against and

[Shri Raoof Valiullah]

contraband gold, whatever may be the sources, will have to be curbed so that it does not play havoc with the economy of this country.

Sir, I would also like to deal with the development financial institutions. While they have been given approvals for foreign borrowings, the role of the development financial institutions particularly the IDBI, IFCI and the ICICI, in the development of the backward regions of this country has not been to the extent it should have been. Sir, it is very strange that the share of backward areas in loans given by financial institutions at the national level fell during the year from 46 per cent in 1984-85. Sir, they are undoubtedly guilty of having lost interest in the development of backward areas. The definition of 'backward' was relaxed, and it now includes areas peripheral to big cities. If such areas were excluded, the share of backward regions in development financial institutions lending would have been less than even one-third. (*Time-bell-rings*) Sir, the development financial institutions should now make a conscious effort to increase the share of backward areas in the loans they make. The Centre has even withdrawn the investment subsidy for non-manufacturing units in backward areas and that has hit the industry and non-manufacturing units in backward areas. I would, therefore, plead with the hon. Minister that the DFIs—Development Financial Institutions—should play a very important and concrete role in the development of backward regions in this country.

Thank you.

SHRI PUTTAPAGA RADHAKRISHNA: Sir, this is not for the first time that we are discussing an Appropriation Bill. Every time, every year the Budget comes the Appropriation Bill also comes, and we discuss it. Some Budget is called having a rural bias, some Budget is called urban bias, some Budget is called having poor bias and some Budget is called having a bias for rich people. But this time this Budget seems to be having a bias of confusion. The Finance Minister tried to make it an election budget, but it has become a budget of confusion items. Sir, there is a proverb in Telugu:

"HANUMANTHUNNI CHEYABOTHE KOTHI AYINDI".

That means, a monkey emerged out of the efforts made to produce Lord Hanuman. The Finance Minister tried to make Lord Hanuman, but it has become a monkey instead of Hanuman. Fortunately, the Vice-Chairman in the Chair has Hanuman's...

THE VICE-CHAIRMAN (SHRI H. HANUMANTAPPA): Not monkey, anyway!

SHRI PUTTAPAGA RADHAKRISHNA: Not monkey but Hanuman's grace, Hanuman's name. (*Interruptions*)

This is a budget of confusion. I want to make some observations on it.

Sir, while delivering the Budget speech the hon. Finance Ministers stated that the federal structure of the country has been kept in abundance. I say it is the greatest untruth for two reasons. One is political reason, the other economic reason. I would like to explain this in brief. Sir, political reason is that the federal spirit of the States is undermined. The Government of India has no recognition in true sense, in true spirit, for the States having their independence and their existence. The very first article of the Constitution, that is article 1 of the Constitution, goes like this : India, that is, Bharat, is a Union of States...If there are no States and if there is no existence of States, there is no India. It is only a Union of States. The Government of India is undermining it. They are not recognizing it. I will give some instances to support my contention. Sir, recently the Government has adopted a policy of meeting people at the grass-root level.

The Prime Minister has gone to meet the District Magistrates in the States. The Prime Minister has gone to address the panchayati set-up in the local areas. He has gone down to the extent of meeting the village sarpanchs. He has been having some conferences here and there in the States. But the same Prime Minister was not prepared to meet the Chief Ministers of the non-Congress Governments when they wanted to meet him to finalise the terms of reference of the 9th Finance Commission. He straightaway refused to meet the Chief Ministers. The Prime Minister who is not prepared to meet the Chief Ministers of certain States is prepared to go and meet the sarpanchs of the villages. They want to bring about a law before the Parliament in order to create a provision in constitution for Panchayati Raj institutions in the States. The instituton of the States is mentioned in the first article of the Constitution whereas the institution of Panchayati Raj is mentioned in the part IV of the Constitution, in the Directive Principles of State Policy which are not guaranteed by the courts of law. That is the attitude of the Government. That is why the Finance Minister's statement is a political lie.

I will now come to the economic aspect of the lie. Sir, before presenting the Budget to the Parliament, they have restored to administered prices in which the States are denied their legitimate share of the revenue of the Government. Another thing is the surcharge and the corporate taxes. Anyhow, the Government of India wants to tamper with the legitimate share and the due share of the States. Apart from that, there are some other things which jeopardise the economic interests of the States. (*Time bell rings*) I am concluding, Sir. I will give an instance. Almost all the Central Ministers who have visited Andhra Pradesh have ridiculed the welfare programmes of the State Government. They called them populist programmes. Now in their Budget they have mentioned about the welfare and populist programmes. I want to mention Nehru Rojgar Yojna. Rs. 500 crores have been allotted for that Yojna in order to eradicate unemployment amongst the rural youth. Sir, it is mentioned that 120 backward districts have been selected in the country. According to the Government sources and according to the census figure of 1981; there are 11 crores households in the country. It is the total number, it is according to Government calculations. But if we take into account the 120 backward districts and the families which are below the poverty line, and if we take into account the money allotted for this Yojna, this plan, it works out to about Rs. 250|- per household for the purpose of eradicating poverty. Is it possible? So far, we have figures that 40,000 crores of rupees have been spent in this country and we know the employment which has been provided by the Government. Is it possible to eradicate unemployment and to provide employment to the people at the rate of Rs. 250|- per family? The very celebrations of Nehru Birth Centenary are publicity-oriented and not development oriented. Nor are they welfare-oriented. In this particular Yojana, there is no mention about providing special employment for the Scheduled Castes and the Scheduled Tribes.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Please conclude now. We have time constraint.

SHRI PUTTAPAGA RADHAKRISHNA: I am concluding, Sir. There is nothing mentioned for providing employment to the Scheduled Castes and the Scheduled Tribes people. Sir, it is my great concern that that is a great lapse. Sir, there is a 5 per cent reduction of income-tax on the entry point from Rs. 18000 to Rs. 25000 It would have been better if the total income-tax had been done away with.

[Shri Puttapaga Radhakrishna]

Sir, the Finance Minister has came down heavily on TVs., radios, two-in-ones, pan masala, watches and other things. Thees are the goods used by the common man. They are no longer luxury items. So, why has it been done, I do not understand. It should not have been done. (*Time bell rings*)

Sir, the freedom fighters' pension is raised from Rs. 500 to Rs. 750. Sir, there are severe complaints about selection of the beneficiaries of the pension scheme for the freedom fighters. In my own State of Andhra Pradesh, an inquiry committee was appointed to go through this. In Karimnagar district from where our hon. Minister for External Affairs Mr. Narasimha Rao hails, persons born after freedom, *i.e.* after 1947, are being given freedom fighter pensions. So, that is not being checked, but we are increasing the quantum of pension.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Mr. Sukul, please.

SHRI PUTTAPAGA RADHAKRISHNA: There are no sufficient funds...

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Mr. Radhakrishna, we have the time constraint...

SHRI PUTTAPAGA RADHAKRISHNA: This is my last point, Sir.

We are very much conscious of the health of the people. Health consciousness is going up day by day. We are very much concerned about our health. But there are no sufficient funds allocated for the health and family welfare (*Interruptions*)

SHRI VITHALRAO MADHAVRAO JADHAV (Maharashtra): There might be some freedom fighters from your Party also. (*Interruptions*)

SHRI ALADI ARUNA *alias* V. ARUNACHALAM (Tamil Nadu): He is not against the pension scheme. He is against... (*Interruptions*)

SHRI B. K. GADHVI: In the case of freedom fighters, the recommendation is from the State Government.

SHRI ALADI ARUNA *alias* V. ARUNACHALAM: He is not against the pension scheme. He is against the irregularities. That is his complaint.

SHRI PUTTAPAGA RADHAKRISHNA: I am not questioning the scheme.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Please sit down. I have called Mr. Sukul.

SHRI PUTTAPAGA RADHAKRISHNA: I have not concluded.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Please take your seat. I have called the next speaker.

श्री पशुपति नाथ सुकुल (उत्तर प्रदेश): उपसभाध्यक्ष महोदय, विनियोग (लेखानुदान) विधेयक और विनियोग विधेयक का समर्थन करने के लिए खड़ा हुआ हूं। राष्ट्रपति के अभिभाषण पर हुई चर्चा के दौरान और बजट पर हुई चर्चा के के दौरान हमारे अनेकानेक साथी बता चुके हैं कि कितनी प्रगति हमारे देश में कांग्रेस सरकार की नीतियों के कारण हुई है। आजादी मिलने के बाद से आज आज तक आमूल-चूल परिवर्तन हमारे देश में हो चुके हैं। चाहे कृषि का क्षेत्र

हो या उद्योग का क्षेत्र हो जो विकास हमने किया है वह स्वावलम्बन की दिशा में एक बहुत ही ठोस कदम है। कम से कम जो अविकिसित देश हैं उन सब में आज भारत वर्ष सबसे अधिक विकसित देश है। मुझे जो थोड़ा सा समय आपने दिया है इसमें सदन का और सरकार का ध्यान अपने प्रदेश की ओर खींचना चहूंगा।

उत्तर प्रदेश, जो कि इस देश का सबसे बड़ा प्रदेश है जनसंख्या के अनुसार वह फिर भी बहुत पिछड़ा प्रदेश है। जनसंख्या के हिसाब से इस सबसे बड़े प्रदेश के 42 जिले आज बैकवर्ड हैं पिछड़ेपन का शिकार हैं। हमारे प्रदेश की आधे से अधिक जनसंख्या गरीबी के स्तर से नीचे है या इसके आस-पास हैं। प्रति व्यक्ति आय हमारे प्रदेश में 78–79 में 894 थी जब कि देश की औसत आय उस समय 1203 रुपये थी। 84–85 में प्रति व्यक्ति आय 1618 रुपये उत्तर प्रदेश की थी जबकि पूरे देश की औसत आय 2275 थी। यह पिछड़ापन उत्तर प्रदेश का है। लेकिन उत्तर प्रदेश में भी जो सबसे पिछड़ा इलाका है वह पूर्वी उत्तर प्रदेश का है। वहां समूचा औद्योगिक विकास नहीं हो पाया है। वह कृषि पर ही मूलतः आधारित है। क्योंकि उनकी जोत बहुत छोटी-छोटी है इसलिए आर्थिक रूप से फाइनेन्शियली वाइएबल नहीं है। उस क्षेत्र में पीने के पानी की बहुत कमी है। इन सब चीजों को मुहैया कराना है, विकास करना है लेकिन इसके लिए पैसे की आवश्यकता है। हमारे प्रदेश में लगभग साढ़े 7 प्रतिशत जो क्षेत्रफल है वह प्रदेश का हिमालय के चरणों में स्थापित पहाड़ी जिलों में है। जो पहाड़ी जिले हमारे यहां है उनका क्षेत्रफल लगभग हिमाचल प्रदेश के बराबर है, लेकिन आबादी हिमाचल प्रदेश से ज्यादा है। चालू वार्षिक योजना में इस क्षेत्र के लिए, प्रति व्यक्ति केन्द्रीय सहायता जो दी जा रही है वह 363 रु0 है, लेकिन दूसरे पहाड़ी क्षेत्रों में यह 622 रु0 से लेकर 1109 रु0 है। इन पहाड़ी ग्रामों में पेय जल की आवश्यकता है, सड़कों और बिजली का बहुत ही अभाव है। अतः मेरा वित्त मंत्री से महोदय अनुरोध है कि वे हमारे प्रदेश की समस्याओं के समुचित निराकरण के लिए सहायता दें और अधिक से अधिक केन्द्रीय सहायता प्रदान करें ताकि भारतवर्ष का सिरमौर जो यह उत्तर प्रदेश है जिसने भारत को तमाम प्रधान मंत्री दिये हैं, पंडित जवाहरलाल नेहरू, लाल बहादुर शास्त्री, इन्दिरा गांधी, चरण सिंह, मोरारजी देसाई को छोड़ कर अब राजीव गांधी तक इसी प्रदेश से आये हैं। जिस प्रकार से दीये के तले अंधेरा होता है वैसे ही इस प्रदेश से देश को प्रधान मंत्री मिलते रहे, लेकिन फिर भी वह प्रदेश अत्यधिक पिछड़ा हुआ है, यह हमारे लिए लज्जा की बात है। लेकिन मैं आप को बताऊं कि प्रदेश की वर्तमान सरकार बहुत ही तत्परता-पूर्वक विकास कार्यों में संलग्न हैं। छठी योजना में उसको एक हजार करोड़ रुपये अतिरिक्त संसाधन जुटाने का लक्ष्य दिया गया था, लेकिन हमारी सरकार ने लक्ष्य से 534 करोड़ अधिक जुटाया और सातवीं योजना में जो लक्ष्य रखा गया है, जो अतिरिक्त संसाधन जुटाने हैं

[श्री पशुपति नाथ सुकुल]

उन संसाधनों को जुटाने के लिए वह वह कृतसंकल्प है। गरीबी और पिछड़े, पन के बावजूद अधिकांश प्रदेशों की तुलना में हमारे प्रदेश में करों की दर सबसे अधिक है। आमदनी कम, कर ज्यादा, यह हमारे प्रदेश की स्थिति है। इसलिए केन्द्र से उत्तर प्रदेश को अधिक धन मिलना चाहिए, अधिक केन्द्रीय सहायता मिलनी चाहिए तभी हमारी समस्यायें दूर हो पएंगी।

महोदय, प्रथम छः योजनाओं के काल में प्रति व्यक्ति जो केन्द्रीय सहायता हमको मिली है, केन्द्रीय सरकार से मिली है, वह 853 रु. है, जबकि सभी प्रदेशों का औसत 1011 रु० था, फर्स्ट सिक्स प्लान्स के दौरान, और इस औसत में प्रति व्यक्ति कमी के कारण हमारे प्रदेश का पिछड़ापन दूर नहीं हो पा रहा है क्योंकि जनसंख्या की तुलना में हमारी समस्यायें बढ़ती जा रही हैं। केन्द्रीय सहायता जो मिलती है, जो अन्य प्रदेशों को मिलती हैं, वह हमारे प्रदेश को नहीं मिलती है। इसलिए मेरा वित्त मंत्री महोदय से अनुरोध है कि वे हमारे प्रदेश के साथ न्याय करें। आज तक, प्लानिंग शुरू होने से लेकर आज तक वित्त आयोगों के आरम्भ से लेकर आज तक वित्त आयोग हैं, उनकी संस्तुतियों के बावजूद उत्तर प्रदेश को कोई भी डेफिसिट ग्रान्ट नहीं मिल पाई है, प्रदेशों को मिली है लेकिन उत्तर प्रदेश को डेफिसिट ग्रान्ट नहीं मिली है। संविधान के अनुच्छेद 275 के अन्तर्गत जो मिलने वाला अनुदान है उसमें उत्तर प्रदेश को सातवें वित्त आयोग से 7 प्रतिशत मिला, आठवें वित्त आयोग से 5 प्रतिशत मिला और नवें से 1989–90 में 6.2 प्रतिशत मिला और यही कारण है कि हमारे प्रदेश की सामाजिक सेवा पर भी जितना खर्च करना चाहिए, उतना करने में वह असमर्थ रहा है। सामाजिक सेवाओं के अन्तर्गत स्वास्थ्य और चिकित्सा पर जो प्रति व्यक्ति खर्च होता है वह 10 रु० 22 पैसे प्रति व्यक्ति है जबकि जो अखिल भारतीय है वह 18 रु० 7 पैसे है। केरल में 30 रु० 36 पैसे है, पंजाब में 29 रु० 60 पैसे है, जब कि उत्तर प्रदेश में 10 रु० 22 पैसे है क्योंकि केन्द्रीय सहायता का पूर्णतः अभाव है। उत्तर प्रदेश की वर्तमान सरकार लोकतन्त्र में आस्था रखती है और पंचायती राज जैसी संस्थाओं के उन्नयन के लिए कटिबद्ध है। 17 वर्ष बाद लगभग 74 हजार ग्राम सभाओं के चुनाव अभी हाल ही में हुए हैं और 895 विकास खण्डों के प्रमुखों के चुनाव भी हो चुके हैं। 623 स्थानीय निकायों के चुनाव भी किये गये हैं। 6 म्युनिसिपल कारपोरेशन्स और 23 म्युनिसिपल बोर्ड्स जिनकी आबादी एक लाख से अधिक है, उनके भी चुनाव हो चुके हैं। जिला परिषदों के चुनाव भी हो चुके हैं। जहां तक पंचायती राज संस्थाओं का ताल्लुक है, हमारे प्रदेश में सारे चुनाव हो चुके हैं। यही हमारी केन्द्रीय सरकार की नीति है और पंचायती राज संस्थाओं को मजबूत करने की दिशा में हमारी सरकार कदम उठा चुकी है। लेकिन अर्थाभाव के कारण आज भी हमारे यहां दो हजार ऐसे जूनियर हाई स्कूल हैं, 551 ऐसे हायर सेकेंडरी स्कूल हैं और 15 ऐसे डिग्री कालेज हैं, जिनको सरकारी अनुदान का एक पैसा भी नहीं मिल पा रहा है। इस अनुदान के न मिलने के कारण शिक्षकों को समुचित वेतन

नहीं मिल पा रहा है। दूसरे जो कर्मचारी उन विद्यालयों में हैं उनको समुचित वेतन नहीं मिल पा रहा है और उनका शोषण हो रहा है। इसके लिये उनको लगभग 450 करोड़ रुपये की अतिरिक्त आवश्यकता है। मैं चाहता हूं कि माननीय वित्त मंत्री महोदय जो इस ओर ध्यान दें और जिस प्रकार भी हो, यह सहायता हमारे उत्तर प्रदेश को प्रदान करने का कष्ट करें। महोदय, उत्तर प्रदेश पहला प्रदेश है, जहां कि सरकार ने अपने कर्मचारियों का वेतन और भत्ता केन्द्रीय सरकार के कर्मचारियों के बराबर किया। उसके बाद ही यह तमाम दूसरे प्रदेशों में हुआ है और वहां भी वेतन और भत्ते केन्द्रीय सरकार के कर्मचारियों के बराबर हैं। लेकिन हमारे प्रदेश ने जैसे ही केन्द्रीय आयोग की रिपोर्ट आई, तुरन्त ही अपने कर्मचारियों को भी केन्द्रीय सरकार के कर्मचारियों के बराबर वेतन, भत्ता और बोनस देने की घोषणा की। अब इसे कई प्रदेश देने लगे हैं। इसलिये जितने भी प्रगतिशील हमारे कार्य हैं, उन कार्य को करने के बारे में हमारा प्रदेश सबसे आगे है। मैं फिर यह कहूंगा कि वहां केन्द्रीय सहायता की जरूरत है। वहां पर प्रति व्यक्ति केन्द्रीय सहायता कम से कम इतनी होनी चाहिये जितनी अन्य प्रदेशों को मिलती है।

अन्त में मैं फिर यह कहना चाहूंगा कि हमारे प्रदेश में वह हो चुका है, जैसा कि मैंने कहा कि हमारे यहां राज्य कर्मचारियों के वेतन केन्द्रीय सरकार के कर्मचारियों के बराबर कर दिये गये हैं, लेकिन आज भी अनेक राज्य ऐसे हैं जहां पर केन्द्रीय सरकार के कर्मचारियों के बराबर वेतन और भत्ते उनके कर्मचारियों को नहीं मिल रहे हैं, जिसके कारण उन लोगों में असंतोष व्याप्त है, इससे हड़तालें होती हैं और आन्दोलन होते हैं। मैं चाहूंगा कि भारत सरकार कोई ऐसी व्यवस्था करे कि केन्द्रीय कर्मचारियों के वेतन, भत्ते और बोनस बढ़ने पर पूरे भारत के समस्त राज्यों के जो राज्य कर्मचारी हैं, उनके वेतन, भत्ते और बोनस को भी बढ़ा दिया जाय। उनके साथ भी वही न्याय किया जाये, उनको भी वही आर्थिक न्याय प्रदान किया जाये। अपने आप, उनको जब बढ़े हुए वेतन और भत्ते अपने आप मिल जायेंगे, तो उनको आन्दोलन नहीं करना पड़ेगा और आन्दोलन के कारण, हड़ताल के कारण देश को, समाज को और सरकार को जो नुकसान उठाना पड़ता है, हम उस नुकसान से बच जायेंगे। इन शब्दों के साथ मैं इन विधेयकों का स्वागत करता हूं।

श्री ईश दत्त यादव (उत्तर प्रदेश): माननीय उपसभाध्यक्ष जी, वित्त मंत्री जी ने वर्ष 1989-90 और 1988-89 के लिये जो विनियोग विधेयक प्रस्तुत किया है मैं इसका समर्थन करने में अपने को असमर्थ पा रहा हूं और मैं इनसे बिल्कुल सहमत नहीं हूं। मान्यवर, सातवीं पंचवर्षीय योजना समाप्त होने जा रही है। और 80 का यह दशक भी समाप्त होने जा रहा है। महोदय, देश को आजादी मिले 40-41 वर्ष हो चुके हैं और दो ढाई साल को छोड़कर बाकी समय में इस देश में इस पार्टी की ही सरकार रही है। अभी माननीय पशुपति नाथ मुकुल जी ने उत्तर प्रदेश की विपन्नता और पिछड़ेपन का जो चित्र प्रस्तुत किया है और उन्होंने जो विचार व्यक्त किये हैं मैं उनसे सहमत हूं। जिस तरह से उन्होंने उत्तर प्रदेश के पिछड़ेपन और गरीबी का वर्णन किया है प्रायः यही स्थिति इस पूरे देश की है। इसलिये सरकार, मैं कहना चाहता हूं कि, बार बार लाकर, विनियोग विधेयक प्रस्तुत करके भारत की संचित निधि से धन निकालकर उस धन का दुरुपयोग करती है, इसलिये इसमें मेरी सहमति नहीं है। मैं तो यहां तक कहने का साहस कर रहा हूं कि इस सरकार को नैतिक रूप से अब सत्ता में बने रहने का भी कोई अधिकार नहीं है। मान्यवर, पशुपति नाथ जी ने उत्तर प्रदेश के बारे में जो चित्र प्रस्तुत किया है उसका वित्त मंत्री जी थोड़ा सा नमूना आपके सामने प्रस्तुत करना चाहूंगा। मैं तो मान्य-

[श्री ईश दत्त यादव]

वर, पूरे देश का विकास चाहता हूं, केवल किसी एक भाग का नहीं । लेकिन सातवीं पंचवर्षीय योजना में आपने पूरे देश में प्रति व्यक्ति व्यय किया है उसमें नागालैंड में प्रति व्यक्ति 4000 रुपये, उत्तर प्रदेश में 803 रुपये उसमें भी पूर्वी उत्तर प्रदेश में जिसमें 15–16 जिले आते हैं उसमें सातवीं पंचवर्षीय योजना के प्रायः समाप्त होने तक आपने 350 रुपये प्रति व्यक्ति व्यय किये हैं । महाराष्ट्र में 1434 रुपये, पंजाब में 1685 रुपये, हरियाणा में 1871 रुपये, मेघालय में 2750 रुपये, सिक्किम में 5750 रुपये, जम्मू काश्मीर में 1918 रुपये प्रति व्यक्ति खर्च किये गये हैं । मैं तो चाहता हूं कि पूरे देश का विकास हो । माननीय वित्त मंत्री जी आप एक और उदाहरण ले लें । माननीय प्रधानमंत्री जी के संसदीय क्षेत्र अमेठी में आपने 3500 करोड़ रुपये खर्च किये हैं और उत्तर प्रदेश के 24 संसदीय क्षेत्रों में आपने मात्र 800 करोड़ रुपये खर्च किये हैं । 24 संसदीय क्षेत्रों में 800 करोड़ और प्रधानमंत्री जी का अमेठी संसदीय क्षेत्र जो उनका निजी क्षेत्र है उसमें 3500 करोड़ रुपये यह आपकी भेदभाव की नीति और असंतुलन की जो नीति है इससे देश विकास नहीं कर पाएगा । मान्यवर, मैं समय ज्यादा नहीं लूंगा, संक्षेप में मैं यह कहना चाहता हूं कि देश की अर्थ व्यवस्था की रीढ़ कृषि है । कृषि की आपने हमेशा उपेक्षा की है । इसके संबंध में मैं आपके माध्यम से माननीय वित्त मंत्री जी से कहना चाहता हूं कि कृषि की अपेक्षा करने के कारण आज भी इस देश में 37 प्रतिशत व्यक्ति गरीबी की रेखा के नीचे जीवनयापन कर रहे हैं । 1951 में, जब आपने प्रथम पंचवर्षीय योजना प्रारम्भ की थी तो देश की राष्ट्रीय आय में कृषि का योगदान 62 प्रतिशत था और जबकि सातवीं पंचवर्षीय योजना आज समाप्त करने जा रहे हैं उस समय इस बात से आप सहमत होंगे कि राष्ट्रीय आय में कृषि का योगदान केवल 34 प्रतिशत रह गया है । लघु कृषक बढ़ते चले जा रहे हैं । 1970–71 में लघु कृषकों की संख्या पूरे देश में 360 लाख थी, बाद में यह 505 लाख हुई और वर्तमान समय में जो आंकड़े मिल रहे हैं इनके अनुसार लघु कृषकों की संख्या 600 लाख हो गई है। जब लघु कृषक बढ़ेंगे कृषि पर आप धन नहीं लगाएंगे सरकार ध्यान नहीं देगी तो राष्ट्रीय आय घटेगी और देश की गरीबी बढ़ेगी (**समय की घंटी**) मैं दो मिनट में समाप्त कर रहा हूं । दोनों पक्षों के माननीय सदस्यों ने एक चीज बार-बार कही है । न जाने माननीय वित्त मंत्री जी और आपकी सरकार इस पर ध्यान क्यों नहीं देती है । योजना से भिन्न जो व्यय है वह आपका हमेशा ज्यादा होता है । इससे देश तरक्की नहीं कर सकेगा, खुशहाल नहीं होगा । अभी भी जहां कुल 85295 करोड़ रुपये व्यय होंगे इसमें 54347 करोड़ रुपये आयोजना से भिन्न व्यय होंगे । आपका यह जो रवैया है इस पर यदि कंट्रोल नहीं किया गया तो देश तरक्की नहीं कर सकेगा । एक दूसरी चीज, मैं संक्षेप में कहना चाहता हूं । यह सरकार कर्ज पर चल रही है । आज तक बिना कर्ज के सरकार नहीं चली है । 5500 करोड़ रुपया इस देश पर विदेशी कर्ज है और अन्तर्देशीय कर्ज दो लाख साठ हजार करोड़ रुपये है जिस पर 17 हजार करोड़ रुपये आप ब्याज चुकाएंगे । इसके बाद भी आप यह अपेक्षा करेंगे कि देश से गरीबी समाप्त होगी, बेरोजगारी समाप्त होगी, देश की समस्याएं हल होंगी । यह सरकार की आदत हो गई है । आप बाहर से कर्ज लेते हैं, बाहर से गेहूं मंगाते हैं और अपने देश का किसान जो गेहूं पैदा करता है उसको उचित मूल्य नहीं देते हैं । कानपुर कृषि विश्वविद्यालय सरकार का है, उसके वैज्ञानिकों ने कहा कि एक क्विंटल गेहूं के उत्पादन में 247 रुपये 60 पैसे व्यय पड़ रहा है । किसानों का 247.60 रुपया खर्चा पड़ रहा है और सरकार 183 रुपये का समर्थन मूल्य दे रही है । किसान निरुत्साहित हो रहा है । खेती का उत्पादन कम हो रहा है । मान्यवर, अगर खेत का उत्पादन आप नहीं बढ़ाएंगे, खान का उत्पादन नहीं बढ़ाएंगे, पृथ्वी के गर्भ से जो सम्पत्ति निकालते हैं उसको निकालने की आप व्यवस्था नहीं करेंगे,

तो आपकी अर्थव्यवस्था हमेशा लुंज पुंज रहेगी.... (समय की घंटी) मैं समाप्त कर रहा हूं। मैं ज्यादा समय नहीं लेना चाहता हूं।

उपसभाध्यक्ष (श्री हेच० हनुमनथप्पा): बहुत ले लिया है।

श्री ईश दत्त यादव: और रुपये का मूल्य तो आप बराबर घटाते चले जा रहे हैं। 1960 और 62 के मुकाबले 1980 में रुपये का मूल्य 25 पैसे हो गया। माननीय राजीव गांधीजी जब 1984 में फिर आये तो उनके आगमन पर ही रुपये का मूल्य 17 पैसे हो गया और इस समय 12 पैसे है। 40000 करोड़ का जो बालाधन तैर रहा है, वित्त मंत्रीजी, यह तो आपके क्षेत्राधिकार में ही आयेगा, जरा इस पर कंट्रोल करें, इसको पकड़ने की कोशिश करिये और अंत में ये समाप्त करते हुए कह रहा हूं कि आपने रोजी, रोटी, कपड़ा, मकान, शिक्षा और स्वास्थ्य की व्यवस्था नहीं की है। इन पर गम्भीरता से विचार करें। जब तक रोजी, रोटी, कपड़ा, मकान, स्वास्थ्य और शिक्षा की व्यवस्था नहीं करेंगे तब तक इस देश को न सुख मिलेगा, न शांति मिलेगी और न देश आगे जा सकेगा। धन्यवाद।

SHRI VITHALRAO MADHAVRAO JADHAV: Mr. Vice-Chairman, Sir, I rise to support this Appropriation Bill. There is no other opinion except that the budget that has been presented by the honourable Finance Minister is growth-oriented and has given a good boost to modernization, self-reliance and social justice. In spite of that I have got certain reservations about this.

Sir, if we look at the total spending which is provided for in the Appropriation Bill which has been presented by the Finance Minister, the total spending is Rs. 41,751 crores. So, this is the total spending of the nation. For Agriculture and other services, Department of Agricultural Research and Education, Department of Rural Development, Department of Fertilizers, subsidies and all these things, it comes to about Rs. 2,376 crores. Out of a spending of Rs. 47,000 crores, we have given Rs 2,381 crores for Agriculture.

As one of my friends was saying —and he rightly pointed it out— previously, 20 years ago, the GDP from agriculture was 67 per cent but now it has come down to 34 per cent. The GDP increases on the basis of emphasis you lay in planning and the budget. Unfortunately, at the time of formulation of the budgets, special care is not taken to see that more money is spent in the field of agriculture. Actually, more than 50 per cent of the raw material supplied to industry comes basically from agriculture. The textile industry, for example, is based on agriculture. I am proud to say that our Prime Minister has formed a new Ministry known as Food Processing Ministry because it has been rightly pointed out that unless industrialization does not go to the villagers, they will not have a proper say for rural development. So, it is from that point of view that this new Ministry has been created in our country.

At the same time, we must see how much money we are spending on the salaries of Government employees, how much on other Government expenditure and how much we are spending on planning. I think the proportion has come down from 66 per cent to 33 per cent. Government expenditure and other expenditure, excluding Plan expenditure, is comparatively much higher than Plan expenditure, which is not good at all because I remember our veteran leader, late Padambhushan Vasantdada Patil has said once regarding the spending of the Maharashtra Government that the Maharashtra Government spends more than 80 per cent of its spending just one the salaries of the Government employees and 20 per cent spending on all the rest of the population of Maharashtra, which is not correct, which is not a healthy attitude. So, I would like to request the

[Shri Vithalrao Madhavrao Jadhav]

hon. Finance Minister, through you, Sir, this proportion must be changed. This Government, this country is not meant for the employees only, this country is not merely meant for industrialists, this country is not meant for the business and trading communities only. The large mass, 90 per cent poor people who are living in the urban slums and the rural areas are also equal participants in this country. From that point of view, our Plan attitude should be changed. That is what I mean to say. Unless you change the planning proecss, you cannot get any progress.

Sir, when we ask for any project in the rural areas, a stereotype answer comes that there is no infrastructure for the industry. When we go for an industrial licence, they say, there is no communication. Because there is no communication, there is no industry; and because there is no industry, there is no communication. This is a vicious circle which must be changed.

In 1987-88 inspite of the severe drought, the foodgrains production was 138 million tonnes. The national income growth-rate was 3.7 per cent. It is the greatest achievement. Actually, before this also we have faced several droughts. But in this drought, the biggest drought of the century, our farmers have contributed a lot, and we could produce 138 million tonnes of foodgrains. That means, the credit goes to our Government which has provided the infrastructure in agriculture, irrigation, power and other things. So, I appreciate the stand of the Government. This year it is expected that the foodgrains production may go up above 171 million tonnes. Sir, the agricultural growth rate does not go bevond 2.5 per cent per year. Just now I have explained why it did not go up. Actually, whenever the national growth index goes up, that is due to more production in agriculture because most of the raw materials come from agriculture whether it is the textiles industry or the jute industry or whatever it might be. Their raw material is from agriculture. The sugar industry's raw material comes from agriculture. Also, their raw materials come from underground sources, that is, minerals. That is the main source of our country's growth rate.

Sir, another important aspect is, we have spent lakhs of crores of rupees on different Plans up to the Seventh Five-Year Plan. But when we consider about irrigation, we do not spend more than Rs. 45,000 crores on irrigation which is the primary requirement of our farming, which is the primary requirement of the water transport, the national water transport system. So, I would request the hon. Minister that we must lay more stress on agriculture. We must lay more stress on irrigation and power generation. But, inspite of the high achievements in power generation, only 12 to 15 per cent power goes to agriculture. Leave apart how much power our power plants are generating power. That is another thing. But how much percentage of the power generated is utilised for agriculture and how is it constantly provided to electric motors? That is the main concern of the farmers.

I do not want to spend much time on that. But one important point I would like to stress on is that our dryland farming is the main problem. Seventy per cent of our farming, seventy per cent of our farms come under this category of dryland farming. Forty-two per cent of our foodgrains comes from 70 per cent dryland farming. They do not have any power. After achieving the total irrigation target also, 60 per cent or 50 cent land will be definitely under dryland farming. So, what should be done? I request the hon. Finance

Minister to give a slogan, "one farmer, one well," like this. At least for the dryland farmers, give them one well and one electric motor and remove their poverty.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Last.

SHRI VITHALRAO MADHAVRAO JADHAV): Other things are, I would like to come to some problems of Maharashtra because I come from Maharashtra. It is known that Maharashtra is one of the prosperous States. The entire fertilizer production is dependant upon the HBJ popeline. Six fertilizer plans are to be set up based on that. The Maharashtra Government has been constantly pursuing the demand for getting the royalty on the Bombay High gas, but the Cenrtal Government is not paying much heed to it. So, I would urge upon the Minister to give to the Maharashtra State the royalty which is its due for the gas that is taken out from the Bombay High.

Secondly, more than 32 irrigation projects for the Maharashtra States are lying for clearance. As a result its total irrigation capacity is not more than 13 per cent. Maharashtra is the poorest State in respect of irrigation. Therefore, please clear the irrigation projects so that by 2000 A.D. all irrigation potential is totally utilised by the Maharashtra Government. To achieve this end it is the responsibility of the Central Government to help and clear these projects.

Moreover, there are some thermal power projets which have not been cleared by the Central Government Shri Vasant Sathe is a very efficient Minister and he has taken a special initiative to clear the power projects. But whatever projects are lying before the Central Government should be cleared as early as possible.

Lastly, I will now speak about the Marathwada region. Maharashtra Government has demanded that some of the State highways should be converted into national highways. Recently, only one State highway was converted into the national highway. But it is not enough. In the Marathwada region, in the one-third of the geographical area we are having fifty kliometres length of national highway, which goes from Sholapur to Hyderabad. It passes through your State, Sir. So, I would request the Transport Minister and the Finance Minister that the Kolhapur-Sholapur -Usmanabad -Aurangabad-Jalgaon State highway must be converted into a national highway. Sholapur-Latur-Nanded-Yeotmal- Nagpur State high way also must be converted into a national highway. Nasik-Aurangabad-Nanded-Hyderabad State highway also must be converted into a national highway. Other national waterways linking Krishna-Godavary and Ganga-Cauvery should be included in the National Plan and whatever is due as the share of Maharashtra as part of the benefit of this Plan, should be given to Maharashtra.

There is another financial difficulty, which the Maharashtra Government has been facing. We give 35 per cent of the national revenue from the Bombay city alone, but in that proportion the Central Government is not giving the due share of Maharashtra for its planning purposes.

With these words, I conclude my speech.

SHRI P. K. KUNJACHEN (Kerala): When the Finance Minister moved the Budget discussion here he tried to give some sugar-coating this being the election year. He also stated that the financial position of the Government of India is very good. I cannot agree with that because the Government has not taken care to see beyond its nose. Ours is a capitalist economy. When monopoly capitalism develops,

[Shri P. K. Kunjachen]

its own law operates. Its law is maximum profit within a minimum time. That has been going on continuously in India. Under capitalism wealth disparity develops as a continuous process. It does not come about all of a sudden. If a serious note of this factor is not taken, our Finance Minister will be put into difficulty. We can take the experience of America. In 1810, one per cent of the monopolists were holding 21 per cent of the American economy. In 1929, this figure had risen to 36 per cent. In 1929, came the economic calamity. Everybody knows what happened then. Due to paucity of time I am not mentioning anything on that. Since then this percentage came down, but in 1982 again it went up to 34 per cent. After Reagan came to power, he adopted an economic theory known as Reaganomics. The bourgeois economists had said that nothing is going to happen, but we all know that recession has started and shares have crashed and panic has spread to other

3.00 P.M. countries of the world. But due to some measures it has been stopped. Again bourgeois economists says that 1990 is going to be a very difficult year. What is our position? According to the Economic Survey and according to the Reserve Bank of India, our foreign exchange position is precarious. Every year inflation is increasing and deficit financing is also increasing. According to the bourgeois economists itself, if the purchasing capacity of the people goes below a certain level, crises will develop. What is our position? There is a parallel economy and black money is operating. At the same time, more than 1,00,000 factories are locked out or have become sick. The purchasing capacity of the workers in the factories has gone down. What is the condition of the peasants in the country? They are agitating for remunerative prices. What is the condition of the agricultural workers? You say you are adopting certain things. I will come to that later. That is miserable. Similarly, what is the position regarding unemployment? There are 3 crores of educated youth registered in the employment exchanges. If you take the uneducated youth also, it comes to 10 crores. Bourgeois economists say that unemployment should not increase more than 10 per cent in any country, be they educated or uneducated. If this figure is correct, we have gone beyond that.

We have borrowed money from outside and inside also. Now, our repayments have reached 25 per cent. If it increases beyond 20 per cent it is considered as serious. If it goes beyond 25 per cent it is taken as red. The economists say that our country is in the debt trap. So, this is the position. The picture is not as rosy as you try to show before the people. It is very serious. This is one aspect.

The other thing is, today a *dharna* programme is going on at the Boat Club under the Left parties. They are voicing that the Punjab problem should be solved. For this purpose a *dharna* is being conducted there. For the last five years what is happening in Punjab? Killings after killings are going on. Women are being raped. I do not want to elaborate the sufferings of the people.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Mr. Kunjachen, the House is discussing Appropriation Bill and not Punjab Appropriation Bill. We will discuss that subsequently.

SHRI P. K. KUNJACHEN: Even then I want to say this. The expenditure part is going to increase. That is my argument. So many steps have been taken, one after another. After "Operation Blue Star", the Rajiv-Longowal agreement came. Then "Operation Black Thunder" came and now the package deal is there. But the problem has not been solved. It

has to be solved. The Government has taken so many measures to solve the problem. It has tried to solve the problem by administrative methods. Till now, the Opposition has not been taken into confidence. The Opposition must be called and the Government should try to find out a solution after having consultation with the Opposition. Due to paucity of time, I do not want to go into the details of his problem. But you see, divisive forces are growing in other parts of the country also. What is the Bodo issue now? There are many other issues that are there. Divisive, communal and separatist forces are there. When they are there, all the Budget proposals will be upset. So, without preserving the integrity of the country, we will not be able to do much.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Please conclude now.

SHRI P. K. KUNJACHEN: The third and the most important is the report of the Sarkaria Commission. After a long time, the Sarkaria Commission report has come. But what is happening in the Centre-State relations? They are strained. The Government is not prepared to accept the Sarkaria Commission report and implement its decisions. Governors after Governors are being appointed only to do political work for the Congress 'I'. Governor's office is being converted into Congress party office. Lastly, I want to say that our State of Kerala has been neglected in all ways. If you take the unemployment situation, our State comes after U. P., industrial investment is very low. There is shortage of 18 per cent to 20 per cent of power. If you take into account the shortage in various parts of the country, it is about 2 to 3 per cent short but our shortage is much more. What is being done by the Government in this regard? Railways are neglected. The Government says that there is enough quantity of rice and palm oil. I have raised this question in this House that rice and palm oil quantity is being reduced. The Finance Commission has not accepted the claim of Kerala and has also not done justice to Kerala. When proposals after proposals are sent, the same are not being sanctioned by the Government, irrigation schemes, power schemes... (*Time bell rings*) So, this time, I wish to appeal to the hon. Minister to see that the interests of Kerala are protected. We are a State cultivating rubber, pepper, cardamom and we are exporting nearly Rs. 1100 crores worth of these things. We are not begging. We are asking for our right. So, I ask that our rights should be protected. With these words, I conclude.

PROF. (MRS.) ASIMA CHATTERJEE (Nominated): Mr. Vice-Chairman, Sir, I thank you for giving me this opportunity. I was just listening to the speeches made by my hon. colleagues who have made so many demands. I wonder whether it would be possible for our hon. Minister to meet their demands with the funds available at his disposal. Sir, however, while supporting the Appropriation Vote on Account Bill and Appropriation Bill 1989, I would like to raise a few questions for the observation of the hon. Minister. Sir, the Appropriation Bill 1989 is a third batch of supplementary demands for grants 1988-89, amounting in the aggregate to a sum of Rs. 3491 crores and Rs. 13 lakhs towards the payment of the committed expenditure, the break-up being shown under the head 'Schedule' at page 2 of the appropriation Bill, 1989. Therefore, we will have to approve these supplementary demands as expenditure already committed.

It deserves mention in this connection that out of the Rs. 3491 crores, the receipts and recoveries are to the tune of Rs. 2399 crores. Therefore, the additional expenditure is Rs. 1142 crores. This covers Rs. 156 crores on the Plan side and Rs. 986 crores

[Prof. (Mrs.) Asima Chatterjee]

on the non-plan side. The gross amount in all the three supplementaries is Rs. 5929 crores. Considering the related savings and the receipts, the figure comes to Rs. 3469 crores. Therefore, the net amount was Rs. 2460 crores which brings the present deficit to Rs. 456 crores, as the increased receipts and additional savings being Rs. 2004 crores. However, these amounts will be spent, I understand, on defence services, export subsidies, loans to the Natioal Textile Corporation and on the various development programmes for the poor, for education, for health, for science and technology and also on development programmes for the backward communities including the Scheduled Castes and the Scheduled Tribes. In this connection, I would like to mention that the money which has been sanctioned to the various State Governments has not been properly utilised. The State Governments are distorting the purpose of the beneficial schemes for the poor and for the common man and the fund is being utilised for some other purpose and therefore, there must be accountability and a monitoring cell has to be created in order to see that the money is properly utilised. Involvement of public representatives in these schemes is very essential.

I, however, wonder why the Government have not been able to increase the revenue and why the Government are not having a corresponding return on the investment made by them. Why should the Government nationalise sick industries when these are not viable ones? So, henceforth, in future, I would request the Government, through you, Sir, not to nationalise sick industries, not to make any investment which will incur heavy loss.

Then, Sir, we would like to express our anxiety regarding the fast depletion of the foreign exchange reserves. Our foreign exchange reserves have fallen substantially going down by 33 per cent in the period ending June, 1988, whatever may be the reasons—the repayments to the IMF in 1987-88 have increased the outgo on account of external laibilities. So, the Government must be extremely cautious while borrowing from external as well as from internal sources.

Lastly, Sir, in view of the situation, the Government must be cautious regarding expenditure. Some corrective steps are to be taken to rectify the distortions in the economy. Moreover, wherever the Government have made investments in various States and organizations mentioned as above, accountability must be there. They must try to realise profits so that the money can be rolled on and the profits that the Government will have may be utilised for development programmes.

With these words, I conclude supporting this Appropriation Bill. Thank you.

SHRI B. K. GADHVI: Mr. Vice-Chairman, Sir, I am thankful to all the ten Members who have participated in this brief discussion. Although we had a very detailed discussion on the Budget, most of the Members have traversed wide areas—Budget proposals, development and other areas. But here I have come before this august House with Supplementary Demands, Appropriation Bill and Vote on Account.

Sir, it may be appreciated that the performance of the Government on the economic front has been appreciated not only by our own economists but it has got an international acclaim. As the Members are aware that although we witnessed a very severe drought, our economy was well managed. And that was the reason why despite there being a tremendous pressure on the economy because ofthe drought, our inflation rate would be controlled, our deficit could be controlled as well as the price rise could be controlled.

Sir, it has been criticized that on non-Plan side our expenditure is mounting up. I agree that the non-Plan expenditure is surpassing the Plan expenditure. But perhaps a more detailed scrutiny needs to be exercised by the Members as well as the nation that after all what is the non-Plan expenditure, in which areas we are spending all these things? The major areas are Defence, subsidy on food and fertilizers, interest payments, etc. Sir, last year the drought was so severe, but the nation can take pride that there was not a single starvation death. We know what our position was when we became independent and we know what our position today is in regard to food availability. We know about the Green Revolution, the White Revolution, agriculture going up, condition of agriculturists, and so on. Members have quoted figures that the contribution of agriculture in GDP in 1951-52 has come down. Naturally. In 1951-52 when there was hardly any industry the GDP could only be because of agriculture. Therefore, the development of the nation in so many other areas and industrialisation took place. The infrastructure was laid. The public sector undertakings and public sector concept came up. That gave a boost to development in other areas also. And, therefore, when in one area the production goes up and in another area also the production goes up, the ratio is bound to vary. Therefore, to view it from that angle that the contribution of agriculture in GDP has come down does not necessarily mean that the agricultural development has come down. Today we claim that we are going to produce 170 million tonnes of foodgrains. Even in the drought year our agricultural production was high. Today we see that there is surplus cotton, there is surplus sugar and enough food for people to eat. And that is why we are all the while worrying how we can have a system under which the agriculturists get a remunerative price, support price. Sometimes we hear criticism that there is no market, there is glut, of agricultural production in this country, and therefore the farmer needs support. These are the indices by which we can examine, we can ascertan and we can conclude that in the area of agriculture we are not lagging behind. Simply to view the allocation on the agricultural front in isolation of the other help which is being provided to agriculturists also is a little not seeing in a comprehensive manner.

As stated by the Finance Minister yesterday, besides the allocations in the Budget, besides the allocations to agriculture made by State Governments, the institutional finance, banking finance in this very Budget we have stated that crop loans limit has been enhanced and the interest rate has been reduced. If this is not a help to the agriculturists, then whom does it help? On the non-plan side also, we say that it should be brought down. Would you suggest that we should have a totally inadequate allocation for defence? Would you suggest that the money which we have borrowed and on which we are obliged to pay interest should be forgotten and we should not pay it? Would you suggest that subsidy should be stopped on food and fertilisers? This subsidy is going to the weaker sections of the society. Should we put a cut on that? Would you suggest that the farmers should not get fertilisers at a reasonably cheaper cost and, therefore, there should be no subsidy on that? Would you suggest all this? When the time comes, we say that there should be enough allocation for defence and defence preparedness should never be diluted. We also say that the agriculturists should get raw-material inputs at a reasonable cost and there should be subsidy. We say that our commitments should be honoured. Therefore, out of the total non-plan expenditure, around 70 per cent of the expenditure is incurred in these three areas.

Then we hear about disparity in industrial development of the country.

[Shri B. K. Gadhvi]

These are certainly there for very many reasons and not one. There may be infra-structural disparity. There may be disparity in raw-material availability. There may be geographical disparity. So many things are there. Even then, for the purpose of removal of industrial disparities between one region and another between one place and another, you have to give some incentives to the backward areas. Therefore, we are giving incentives to the industrialists. What I wish to submit is that in totality, taking a very comprehensive view, it would be a misconception to say that a particular sector is being ignored. I know that there is a tremendous pressure on our economy. Without compromising or diluting our defence preparedness, we are constantly trying to have an exercise in order to see that defence budget remains within control. Without compromising in the area of agricultural production, we are trying to see that the farmers get more remunerative prices, more irrigation facilities are made available to them and more power is made available to them.

Members have complained about power. I am happy that the trend in the last two years in most of the State Electricity Boards that plant-load factor is going up and generation is also going up. Therefore, the power position is improving. Sometimes it also happens that because of the natural calamities, the power position becomes very difficult. Before five years, nobody could have dreamt that there could be power shortage in Kerala or in Karnataka because they had the hydel power. But because of the scarcity of water, power scarcity is there. We have to have new sources of power by establishing atomic power generation stations and thermal power generation stations. But we know that the cost-ratio goes up and escalation goes up. Therefore, there is a control. Despite that, the targets for generation of power are being fulfilled. The possibilities of augmentation of the irrigation potential are being explored according to the target norms. Even then, I don't say that everything is over and everything has been accomplished. There are so many big projects. For very many reasons—from the point of view of environment, ecology, rehabilitation of the people, rehabilitation of the flora and fauna, treatment of the catchment areas and so many other factors—some of the projects are getting delayed, resulting in cost escalation. We cannot help it. Very many big rivers are yet to be tapped. Because of inter-state disputes, on very many big rivers where perennial flow is there, we are not in a position to quickly establish projects for use. This is the realistic picture. But, at the same time, if we view the economy in totality, then I would say that nationally and internationally it has been claimed that the Indian economy has gone up to the capacity of having a very strong resilience to withstand the rigours and pressures on it. Even the World Bank and other international monetary agencies are also accepting this fact. But these are very many areas on which I would not like to dwell.

Mr. Jadhav spoke of agriculture. Just with a view to putting the record straight, I want to tell him that out of this Vote of Account, i.e. Rs. 41,751 crores, he has compared the agriculture allocation, and that is not a proper proposition because out of this amount, you would see that Rs. 22,000 crores have been provided for Treasury bill adjustments. So, the balance remains very small. And you have to compare the total agricultural help or assistance that is being provided from various other agencies and various other avenues and sectors. And if you do not take it into account, then, perhaps, you may not be having a proper appreciation of the whole thing.

SHRI VITHALRAO MADHAVRAO JADHAV: Even otherwise you are spending less on agriculture compared to industry and other sectors.

SHRI B. K. GADHVI: I will come to that point later. Sir, Members also criticised about the transfer of funds from the OCC. Year before last, it was done. The hon. Finance Minister, while replying to the Budget yesterday explained this thing.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): He has answered it.

SHRI B. K. GADHVI: But what is the position? Even if this fund had been transferred on capital side, the overall deficit would not have changed at all. But I would say that if you import something and you gain a profit, you credit it to revenue account. If you import something or if you subsidize something on which the Government sustains a loss, it is also debited to revenue account, like the fertilizers. Then, you have got this fund which is meant to meet contingencies in case we have to subsidize the petroleum products in the country. And for that purpose, because of the mechanism of administered prices if this amount is accumulated, then to transfer a portion of it on a revenue side is not at all an unjustifiable thing. Therefore, to say that with this mechanism we have been able to tailor the Budget deficit is also not a proper proposition.

Sir, Mr. Raoof Valiullah has stated about external debts and other things. I think what he has understood is that even for the purpose of payment of interest we are having a market borrowing. It is not a correct statement of fact. I know that we can ill-afford a high cost borrowing. If we allow our doors open to a high cost borrowing, then, perhaps, there would be a flood of money in this country. But we know that the Indian economy has to be taken care of by our own resources and by our own efforts. Therefore, about the market borrowing which has been mentioned, I would say that our external debt receipts are more than our repayment obligations and interest payment obligations. I would cite, for example, that in 1989-90, the position is that our external aid receipts are Rs. 5,542 crores, repayment is Rs. 1,820 crores, and interest payment is Rs. 1,449 crores. Therefore, the net receipts after the repayment and the interest payment would be Rs. 2,273 crores. So, there is no question of market borrowing to pay the interest on our borrowing at all; on Government account, I am telling this. I agree that commercial borrowing from abroad, from international market is a high cost borrowing. We are aware of it. Those developing countries which do not visualise these things, they fall in a debt trap. But because we know and we constantly monitor this there should not be any apprehension of our country falling into a debt trap.

SHRI JAGESH DESAI (Maharashtra): Imports have increased in the last three months. Where is the monitoring?

SHRI B. K. GADHVI: Agreed, imports have increased. But, Mr. Desai, yesterday also it was explained that, after all, we are all concerned and we are all exercised over the BOPs. How can we have foreign exchange reserves until we augment our exports? And what are the necessities and what are the imperatives for more imports...

SHRI V. NARAYANASAMY (Pondicherry): Give more incentives for exports.

SHRI B. K. GADHVI: Only incentives would not do until your product is competitive in the international market, until your technology is upgraded so that it can produce things which can stand the test in the international market in a competitive manner.

SHRI VITHALRAO MADHAVRAO JADHAV: Can you not avoid bulk import of commodities which comes to 33 per cent of imports?

SHRI B. K. GADHVI: Therefore, with a view to augment our resources, we have to produce more for exports, and for that, our products have to be more competitive in the international market in terms of quality and quantity. Even for domestic consumption, the quality needs to be upgraded. Therefore we have to import certain things, we have to import machinery and other things which are bulk imports. Take for example edible oils. Fortunately this year, the credit goes to the farmers that because of oilseeds production, edible oils import is coming down; but otherwise sometimes we are compelled to import edible oils, petroleum and other things. That is because of our domestic necessities. At the same time you would agree that once we reach a stage where our industrialisation and our production on the industrial front reach a particular level, then our exports would be more, and they are actually becoming more. I do not say our imports are less and exports are more. But in terms of percentage rise, our exports are going up and we are hopeful that, perhaps, by this constant process, we will be in a position to bring more of international market within our reach where our products, our commodities are sold out. These are the long-term strategies of any country which has to stand on its own legs, which has to maintain its own economy, and it has to have a very conspicuous and a very prominent place in the international market. We know the examples of Korea, of Japan and even smaller countries and what they did. Today they are strong because their exports are more. We have to augment our exports by giving incentives of various kinds, by way of less customs tariff, by other incentives like cash subsidies or by tax exemptions and all sorts of incentives. Those incentives are needed so that exports can go up to ease our BOP situation. It is not proper to say that our imports are prodigal or that our imports are frittering. It is not a correct proposition. There might be a few cases of aberrations, as Mr. Jadhav pointed out. As the Finance Minister stated yesterday, we will certainly try to contain unnecessary imports so that we import only to meet our immediate needs and requirements.

SHRI JAGESH DESAI: Why do you have so many items under the OGL?

SHRI B. K. GADHVI: Whenever we feel that even under OGL some particular commodities are not needed, this could be stopped and these could be canalised. We have done it in case of many items which were previously under OGL and they are now canalised. It is not that we are not doing it. But it all depends upon the realities and requirements of the situation at a particular point of time, not otherwise.

I know there is constraint of time and I do not wish to go on. Let me say about the deficit also. You can appreciate in 1986-87, the Budget estimate of the deficit was Rs. 3703 crores; revised estimate figure was Rs. 8285 crores when the Budget was presented, and the actual came to Rs. 8261 crores. In 1987-88, Budget estimate deficit was Rs. 5688 crores; revised figure was Rs. 6230 crores and actuals came to Rs. 5816 crores. In 1988-89, projected figure is Rs. 7484 crores. I believe and hope that we will be able to contain the deficit this year also, God forbidding, if there is no other eventuality or contingency where we are forced to spend more. Mr. Morarka who initiated the discussion said that we should have imagination and that we should go in for zero-based budgeting. He also referred to the losses incurred by the NTC.

Of course, NTC is incurring losses. The nationalisation of the textile mills which were rendered sick by drawing out the blood of the healthy units by the private managements was done by the Government for other reasons also. It was not only on account of economic considerations. There were other considerations like

labour welfare, job securit etc., etc. Therefore, we do sustain the loss but we are trying to see that the losses come down and some of the units become viable.

It has also been stated by Mr. Morarka that the contribution by the public sector units is less. Admittedly, it is less but there has been improvement. Of course, in the Seventh Five-Year Plan, the contribution the public sector units to the Central Exchequer has not been to the expected level; it has fallen short. But at the same time, there is a constant move to improve it. I do not want to take much time. My friend is also in a hurry. There is the Railway Appropriation Bill, the Punjab Budget and other things. (*Interruptions*).

SHRI KAMAL MORARKA: One point. I referred to the approach of the Ninth Finance Commission, zero-based budgeting and the suggestion of Mr. Raja Chelliah for a cell.

SHRI B. K. GADHVI: Mr. Morarka would appreciate that under the terms of reference of the Ninth Finance Commission, the Central Government is also put under scrutiny. Earlier, the performance of the Central Government never came under the scrutiny of the Finance Commissions. For the first time, we have placed ourselves under the scrutiny of the Finance Commission.

It has also been alleged that some States are not given proper Central assistance. This is totally as per the Finance Commission's norms. Every State, whether it is ruled by the Congress(I) or by any other party...

SHRI KAMAL MORARKA: I did not say that.

SHRI B. K. GADHVI: Of course, you did not say that. Other people levelled that criticism. I would like to point out that no discrimination is made. Whatever is legitimately available to them is being provided to them. In fact, much more has been given to the States by the Eighth Finance Commission. I would say that we are giving more help to the States. That is why we have to resort to deficit financing. Otherwise, we would not have to resort to deficit financing.

References have been made to the question of development of the States and other things. Sir, we have a federal structure. Along with the Central Government, the State Governments are equally responsible. Mr. Balaram said about the PDS and referred to the cut in the rice allocation and other things. We do appreciate that there should be a strong PDS in the country so that the people, poor people, are able to get the things. But the States should also have some mechanism and a monitoring system by which the leakages in supply under the PDS are stopped. This is an area where the State Governments also should make concerted efforts. Then only we can tackle the problem of poverty and render assistance and help to the poor people. There should be concerted efforts by all concerned. We, as public representatives, should be watchful. We should be the sentinels to see that there are no corrupt practices and leakages. If we have this kind of vigilance, most of the problems can be overcome. With these words,...

PROF. (MRS.) ASIMA CHATTERJEE: What about the foreign Exchange reserves which will help our imports?

SHRI B. K. GADHVI: I said about the BOP position, about the foreign exchange reserves. This can be improved only by export promotion, by augmenting the exports. We could do it by borrowings but this will only be a short-term measure.

Certain individual problems have been mentioned like Marathwada, U.P. and so on. I will certainly cull them out from the speeches of hon.

[Shri B. K. Gadhvi]

Members and see that they are attended by the concerned Ministries. It has been my practice. Hon. Members are aware. They know that they get replies to the points they raise. These are sent to the respective Ministries. I do not want to take more time of the House. With these observations, I commend the two Bills to the House.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): I shall first put the motion regarding the consideration of the Appropriation (Vote on Account) Bill, 1989, to vote.

The question is:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 4 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI B. K. GADHVI: Sir, I beg to move:

"That the Bill be returned."

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): I shall now put the motion regarding consideration of the Appropriation Bill, 1989, to vote.

The question is:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1988-89, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 and 3 and the Schedule were added to the Bill

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI B. K. GADHVI: Sir, I beg to move:

"That the Bill be returned."

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): The House shall now take up for consideration the Resolution, the Appropriation (Railways) Bill, 1989, and the Appropriation (Railways) No. 2 Bill, 1989, together.

I. RESOLUTION APPROVING THE RECOMMENDATIONS MADE IN PARAGRAPHS 9 TO 12 OF THE THIRTEENTH REPORT OF RAILWAY CONVENTION COMMITTEE, 1985.

II. APPROPRIATION (RAILWAYS) BILL, 1989.

III. APPROPRIATION (RAILWAYS) NO. 2 BILL, 1989.

[**The Vice-Chairman (Shri Jagesh Desai)** in the Chair]

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Sir, I beg to move the following Resolution:

"That this House approves the recommendations made in paragraphs